

EXHIBIT B
THE CLAIMS THAT WILL BE PENDING
UPON ENTRY OF THE PRESENT AMENDMENT
U.S. PATENT APPLICATION SERIAL NO. 09/397,704

1. A computer-based method for administering financial instruments, comprising the steps of:

establishing a trust with trust units, each unit representing an interest in a bond having a maturity date and one or more equity security shares, where the number of shares is defined as a share ratio; and

periodically:

- (a) computing the price of the trust units based on the share ratio for the period and the current values of the underlying bond and the equity security shares;
- (b) comparing the computed price of the unit to a predetermined threshold price;
- (c) making a distribution to unit holders based on the comparison; and
- (d) adjusting the share ratio of the units to reflect the distribution.

2. The method of claim 1 wherein at least some of the distribution is made of equity security shares.

4. The method of claim 2 wherein the number of shares in the distribution is based on the current share price and the difference between the computed price of the unit and the predetermined threshold price.

6. The method of claim 1 further comprising the step of reinvesting distributions made to unit holders into new trust units.

7. The method of claim 4 further comprising the step of reinvesting distributions made to unit holders into new trust units by combining distribution shares with a single bond into a trust unit having an adjusted share ratio.

8. The method of claim 1 further comprising the step of making a final payment on or about the maturity date of the bond, said final payment comprising the face value of the bond, less administrative expenses.

9. A computer software product for implementing the steps of the method of claim 1 on a computer.

10. The computer software product of claim 9 comprising an Excel spreadsheet program.

11. A computer-based system for administering financial instruments, comprising:

means for periodically computing the price of trust units in a trust, each trust unit representing an interest in a bond having a maturity date and one or more equity security shares, where the number of shares is defined as a share ratio, and where the price of the trust units are based on the share ratio for the period, and current values of the underlying bond and the equity security shares;

means for comparing the computed price of the unit to a predetermined threshold price;

means for making a distribution to unit holders based on the comparison; and

means for adjusting the share ratio of the units to reflect the distribution.

12. The system of claim 11 wherein the means for comparing determines a difference between the computed price of the unit and the predetermined threshold price, and the means for making a distribution distributes equity security shares, where the number of shares in the distribution is based on the current share price and the difference.

14. The system of claim 11 further comprising means for reinvesting distributions made to unit holders into new trust units.

15. The system of claim 12 further comprising means for reinvesting distributions made to unit holders into new trust units by combining distribution shares with a single bond into a trust unit having an adjusted share ratio.

25. A computer-based method for administering financial instruments, comprising the steps of:

establishing a trust with trust units, each unit representing an interest in a fixed-income security that has a maturity date and one or more equity security shares, where the number of shares is defined as a share ratio;

periodically computing the price of the trust units based on the share ratio for the period, and the current values of the underlying fixed-income security and the equity security shares;

comparing the computed price of the unit to a predetermined number;

making a distribution to unit holders based on the comparison; and

adjusting the share ratio of the units to reflect the distribution.

26. The method of claim 25 wherein at least some of the distribution to unit holders is made of equity security shares.

28. A computer-based method, comprising the steps of:
selecting an equity security based on expectations for long-term capital appreciation;
selecting a long-term bond issue having a fixed maturity date and a predetermined face value;

creating a trust having units, each unit representing an interest in one of the selected long-term bonds and a predetermined number of shares of the selected equity security, said number of shares being defined as a share ratio, the trust being associated with an account administrator having access to information about the created trust and about customers' accounts indicating ownership interest in the trust units;

periodically determining a current value of the trust units using current market information about the underlying securities;

distributing payments to said customer accounts based on the difference between the current unit value and a predetermined threshold price; and

adjusting the share ratio of the units to reflect the payments.

29. The method of claim 28 wherein the equity security is selected from among large-cap stocks.

30. The method of claim 28 wherein the long-term bond issue is a U.S. Treasury STRIP.

31. The method of claim 30 wherein the term for the bond is between 20 and 30 years.

32. The method of claim 28 wherein the period for determining the value of trust units is quarterly.

33. The method of claim 28 wherein at least some of the payment is made of a number of equity security shares wherein the number is based on the current share price and the difference between the computed price of the unit and the predetermined threshold price.

34. The method of claim 33 further comprising adjusting the share ratio of the trust units to reflect the distributed excess number of shares.

35. The method of claim 28 further comprising the step of reinvesting distributions made to unit holders into new trust units.

36. The method of claim 35 further comprising the step of reinvesting distributions made to unit holders into new trust units by combining equity security distribution shares with a single bond into a trust unit having an adjusted share ratio.

38. The method of claim 28 further comprising the step of making a final payment on or about the maturity date of the bond, said final payment comprising the face value of the bond, less administrative expenses.

39. The method of claim 28 wherein the step of creating a trust includes developing an Excel spreadsheet program with entries corresponding to trust units and customer accounts.

40. The method of claim 39 further including storing information about the trust units and the customer accounts in a database accessible by the account administrator.

41. The method of claim 1, wherein the step of comparing comprises determining a price difference between the computed price of the unit and the predetermined threshold price and wherein:

- (i) if the price difference is more than a minimum value, the amount of the distribution is equal in value to the price difference; and
- (ii) if the price difference is less than the minimum value, the amount of the distribution is equal in value to the minimum value.

42. The system of claim 11, wherein the means for comparing determines a price difference between the computed price of the unit and the predetermined threshold price and wherein:

- (i) if the price difference is more than a minimum value, the amount of the distribution is equal in value to the price difference; and
- (ii) if the price difference is less than the minimum value, the amount of the distribution is equal in value to the minimum value.

43. The system of claim 25, wherein the step of comparing determines a price difference between the computed price of the unit and the predetermined threshold price and wherein:

- (i) if the price difference is more than a minimum value, the amount of the distribution is equal in value to the price difference; and
- (ii) if the price difference is less than the minimum value, the amount of the distribution is equal in value to the minimum value.

44. The system of claim 28, wherein:

- (i) if the difference between the current unit value and the predetermined threshold price is less than zero, each payment is equal to a minimum amount;
- (ii) if the difference between the current unit value and the predetermined threshold price is more than zero, each payment includes an excess value payment equal in value to the difference in value; and
- (iii) if the difference between the current unit value and the predetermined threshold price is more than zero and less than a minimum amount, each payment includes a supplemental value payment equal to the difference between the minimum amount and the excess value payment.